Extension of Contracts with Providers for the Columbia Public Schools 457 and 403(b) Retirement Plans

As the current contracts for providers for the district's employee 457 and 403(b) retirement plans expire in September 2013, and the Board of Education elected to delay a search for vendors for new contracts in June 2013, the administration is requesting an extension of the current contracts. Extension of these contracts comes with no fiscal impact to the district and no change in fees for the plan participants.

It is the recommendation of the administration that the Board of Education extend the following contracts for one year:

- LaBrunerie Financial Services, Inc.—403(b) Plan
- Edward Jones—457 Plan
- CPI—third-party administrator for both plans

The search for vendors in 2006 and 2007 for the 403b and 457 plans respectively were performed using The Cottonwood Group, LLC of Kansas City who specialize in retirement plan management. It is the recommendation The Cottonwood Group, LLC be engaged for this project as currently, they serve as investment advisor monitoring investment plan options and performance and making recommendations to the District's Investment Committee relating to needed changes in investment selections and vendor matters.

The Cottonwood Group is an employee-owned, independent provider of consulting, actuarial and investment services for company retirement programs. Their multi-disciplined, professional staff of actuaries and consultants offer only fee-based service and advice. Their clients have confidence their recommendations are not only practical and sound, but unbiased and objective. They specialize in each of the following practice areas:

Actuarial Services
Defined Contribution Services
Pension Plan Administration
Investment Services

The personnel from The Cottonwood Group assigned to this search would be those who led the searches in 2006 and 2007, Mr. John Dykes and Ms. Janet Thompson.

John R. Dykes, CFA

John Dykes has over 25 years of experience in investment management and consulting. John is an owner and Principal with The Cottonwood Group and is a member of the investment monitoring team of Cottonwood Advisors, LLC (a wholly-owned subsidiary of The Cottonwood Group). John works closely with clients to set investment goals, find investment advisors who can meet client goals and monitor their progress. He also assists plan sponsors in addressing fiduciary issues while managing the costs of plan administration.

Before John formed Cottonwood Advisors, LLC, he was a principal at Palmer & Cay Consulting Services, Cottonwood's predecessor. Prior to 2000, John worked for Atlantic Asset Management (3 years), a fixed income investment management firm in Stamford, Connecticut and DeMarche Associates (11 years). While with Atlantic, John oversaw the firm's marketing efforts, and consultant relations. At DeMarche, he was a lead institutional investment consultant and national practice leader for corporate finance consulting.

John received his Bachelor of Arts degree from Rice University and a Master of Business Administration in Finance from University of Kansas. He earned his CFA designation in 1993. John is a member of the Kansas City Society of Financial Analysts. John served the state of Kansas for 11 years as the appointed Chairman of the Wildlife and Parks Commission

Janet M. Thompson, CPC

Janet Thompson has 25 years of experience in employee benefits and specializes in the design and administration of defined benefit and defined contribution plans. Janet is an owner of The Cottonwood Group and leads the firm's defined contribution practice. She also serves as client relationship manager for many of the firm's defined benefit and defined contribution clients.

Before forming The Cottonwood Group, Janet was managing director of the Kansas City office of

Palmer & Cay and a partner with DeFrain Mayer – both predecessors to Cottonwood. Before she joined DeFrain Mayer in 1989, Janet was Manager of the Kansas City office of the Alexander & Alexander Consulting Group. She has also held prior consulting and administrative positions with Business Men's Assurance Company (BMA), Fringe Benefits Design (FBD) and Deferred Compensation Administrators (DCA), a Minneapolis-based firm.

Janet received a Bachelor of Arts degree in Social Welfare from the University of Minnesota. She is a member of the American Society of Pension Actuaries and has earned the designation of Certified Pension Consultant. Janet also sits on the steering committee of the Employee Benefits Institute of Kansas City, acting as chair in 2002.

A selection committee will be used to review responses and perform interviews of qualified firms responding. That committee will be comprised of members of the Employee Benefits Committee and a Board of Education representative. This committee with the assistance of Mr. Dykes and Ms. Thompson will bring a recommendation to the September 2013 Board of Education meeting for your consideration.